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RYAN'S CAB TERM EXPIRES; APPOINTMENT HANGS FIRE

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The CAB on Monday found itself with only four Members and no Chairman or Vice-chairman for 1955. The situation developed when the White House let 1954 end without action on the expiring membership of Oswald Ryan or the annual Chairman and Vice-chairman designations held in 1954 by Chan Gurney and Harmar D. Denny, respectively.

Reportedly, the White House plans to resolve the CAB situation this week, but the busy schedule of the President precluded the fixing of any definite date. Ryan, whose third term expired Dec. 31, 1954, is no longer a Board Member and cannot sit in on official Board functions. However, he was at his office Monday and the sign "Oswald Ryan - Member" still hangs outside his door. The 16-year Board veteran is still a strong candidate for reappointment in a field insiders say totals six men.

Since Congress does not resume until January 5, there remained the first two days of this week in which a recess appointment could be made and the appointee could then take office immediately. However, any appointments after Congress resumes on Wednesday are subject to Senate confirmation before the appointee can join the Board officially.

For the Administration, the CAB vacancy created by Ryan's expiring membership is a key one. Of the present Board, the Administration has picked only one man -- Denny. After the Ryan vacancy is settled, it presumably will be the last opportunity before the next Presidential election for the appointment of an Eisenhower-picked Republican, since the next two Memberships to expire are held by Democrats.

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BOARD SUSPENDS NEA FARE INCREASE

CAB, in one of its last official acts of 1954, on Friday suspended the proposed 10% fare increase of Northeast Airlines. The fares, filed last month for an effective date of January 1, were suspended until March 31, 1955, pending an investigation to determine their reasonableness. In the order instituting the investigation the Board had this to say:

"It is observed that even if the proposed fares suspended herein were found reasonable, they would still fall far short of solving the very serious problem of the carrier in reaching a desirable balance between commercial revenues and mail pay, and it would appear that any effective solution of the problem lies in the direction of pursuing sound merger possibilities or similar route adjustments rather than by raising its charges to the traveling public."

A major factor in the case is the New York-Boston fare, which involves American Airlines and Eastern Air Lines, as well as Northeast. Reportedly, CAB would go along with the 10% increase if it were limited to non-competitive segments, but so far NEA has held out for an "across the board" hike.

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FACT-FINDING PANEL NAMED IN AIRLINE-UNION DISPUTE

President Eisenhower over the week end named the three members of the emergency board created November 16 to postpone a walkout by 20,000 AFL-Machinists (Continued on Following Page)